

AMENDED IN ASSEMBLY MARCH 17, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1649

Introduced by Assembly Member Salas

**(Coauthors: Assembly Members Bigelow, Gallagher, Gray, Olsen,
and Patterson)**

(Coauthors: Senators Berryhill, Cannella, Fuller, Galgiani, and Vidak)

January 12, 2016

An act to amend Section 79759 of the Water Code, relating to water storage.

LEGISLATIVE COUNSEL'S DIGEST

AB 1649, as amended, Salas. Water Quality, Supply, and Infrastructure Improvement Act of 2014: ~~water surface storage projects: projects: joint powers authorities: funding.~~

Existing law, the Water Quality, Supply, and Infrastructure Improvement Act of 2014, approved by the voters as Proposition 1 at the November 4, 2014, statewide general election, authorizes the issuance of general obligation bonds in the amount of \$7,545,000,000 to finance a water quality, supply, and infrastructure improvement program. The act continuously appropriates \$2,700,000,000 to the California Water Commission for public benefits associated with water storage projects, ~~as specified.~~ *including, among others, surface storage projects identified in the CALFED Bay-Delta Program Record of Decision, dated August 28, 2000. Funds allocated for this purpose are authorized by the act to be provided to local joint powers authorities formed by irrigation districts and other local water districts and local governments within the applicable hydrologic region to design, acquire, and construct those projects.*

This bill would ~~state the intent of the Legislature to enact legislation to ensure surface water storage is funded and built consistent with the goals of Proposition 1 and that the commission fulfills the original intent of the water storage project provisions of Proposition 1.~~ *require the California Water Commission to prioritize the funding of those local joint powers authorities surface storage projects and to move expediently to dispense project funds. This provision would become effective only upon approval by the voters at the next statewide election.* The bill would make findings and declarations of the Legislature, including, but not limited to, that, of the water storage projects available, the Temperance Flat Dam and Sites Reservoir will meet statewide goals and provide those specified public benefits to the greatest extent.

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: ~~no~~-yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) According to the United ~~states drought~~ *States Drought*
- 4 Monitor, over 90 percent of California is in “Severe Drought,”
- 5 raising concerns over water supply dependability and underscoring
- 6 the need for immediate statewide action.
- 7 (b) On November 4, 2014, voters approved Proposition 1, the
- 8 Water Quality, Supply, and Infrastructure Improvement Act of
- 9 2014, which authorizes \$7,545,000,000 in general obligation bonds
- 10 to finance a water quality, supply, and infrastructure improvement
- 11 program, and continuously appropriates from the revenue of those
- 12 bonds \$2,700,000,000 for water storage projects, including, but
- 13 not limited to, dams and reservoirs.
- 14 (c) With the promise of increased water storage, voters approved
- 15 Proposition 1 by 67 percent. The argument in favor of Proposition
- 16 1 in the state’s official voter information guide states “Proposition
- 17 1 invests in new storage increasing the amount of water that can
- 18 be stored during wet years for the dry years that will continue to
- 19 challenge California.”
- 20 (d) Expanding and improving California’s water storage capacity
- 21 is long overdue. The last time California saw significant state and
- 22 federal investments in the state’s water storage and delivery system
- 23 was in the 1960s, when the state’s population stood at 16 million.

1 Today, that same system supports 38 million individuals and will
2 need to support 50 million by 2050.

3 (e) Statewide water storage goals, as outlined in Chapter 8 of
4 Proposition 1 (Chapter 8 (commencing with Section 79750) of
5 Division 26.7 of the Water Code), are necessary to update
6 California's aging water infrastructure, provide reliable water
7 supply for the public and our agricultural economy, and protect
8 the environmental health of the Delta.

9 (f) A water storage project may only be funded by Chapter 8 of
10 Proposition 1 (Chapter 8 (commencing with Section 79750) of
11 Division 26.7 of the Water Code) if it provides specified public
12 benefits, including: ecosystem improvements; water quality
13 improvements to the Delta and river systems that provide public
14 trust resources or restore groundwater resources; flood control
15 benefits, including increases in reservoir storage capacity in
16 response to decreasing snow pack; emergency response, including
17 securing emergency water supplies for salinity repulsion; and
18 recreational purposes.

19 (g) Of the water storage projects available, the Temperance Flat
20 Dam and Sites Reservoir will meet statewide goals and provide
21 all of these public benefits to the greatest extent. These projects
22 will allow California to store more water in years of high rainfall,
23 which will ease pressures placed on the Delta and groundwater
24 supply during years of prolonged drought, and facilitate the storage
25 of snow melt and timed releases of water to improve flow
26 conditions and water temperatures.

27 ~~SEC. 2. It is the intent of the Legislature to enact legislation
28 to ensure surface water storage is funded and built consistent with
29 the goals of Proposition 1 and that the California Water
30 Commission fulfills the original intent of Chapter 8 of Proposition
31 1 (Chapter 8 (commencing with Section 79750) of Division 26.7
32 of the Water Code).~~

33 *SEC. 2. Section 79759 of the Water Code is amended to read:*

34 79759. (a) The funds allocated for the design, acquisition, and
35 construction of surface storage projects identified in the CALFED
36 Bay-Delta *Program* Record of Decision, dated August 28, 2000,
37 pursuant to this chapter may be provided for those purposes to
38 local joint powers authorities formed by irrigation districts and
39 other local water districts and local governments within the

1 applicable hydrologic region to design, acquire, and construct those
2 projects.

3 (b) The joint powers authorities described in subdivision (a)
4 may include in their membership governmental partners that are
5 not located within their respective hydrologic regions in financing
6 the surface storage projects, including, as appropriate, cost share
7 participation or equity participation. Notwithstanding Section 6525
8 of the Government Code, the joint powers agencies described in
9 subdivision (a) shall not include in their membership any for-profit
10 corporation or any mutual water company whose shareholders and
11 members include a for-profit corporation or any other private
12 entity. The department shall be an ex officio member of each joint
13 powers authority subject to this section, but the department shall
14 not control the governance, management, or operation of the
15 surface water storage projects.

16 (c) A joint powers authority subject to this section shall own,
17 govern, manage, and operate a surface water storage project,
18 subject to the requirement that the ownership, governance,
19 management, and operation of the surface water storage project
20 shall advance the purposes set forth in this chapter.

21 (d) *As local joint powers authorities described in this section*
22 *form to address critical water storage needs and apply for funding*
23 *under this chapter, the commission shall prioritize the funding of*
24 *the local joint powers authorities surface storage projects and*
25 *shall move expediently to dispense project funds.*

26 *SEC. 3. Section 2 of this act would modify the single object or*
27 *work of a general obligation bond act previously submitted to the*
28 *voters by the Legislature pursuant to Section 1 of Article XVI of*
29 *the California Constitution, and subsequently approved by the*
30 *voters as Proposition 1 at the November 4, 2014, statewide general*
31 *election. Accordingly, Section 2 of this act shall become effective*
32 *only upon approval by the voters. The Secretary of State shall*
33 *submit Section 2 of this act to the voters on the ballot of the next*
34 *statewide election.*